



# Careium reports third quarter results 2024

## The quarter in summary

- Net sales amounted to SEK 201.7 million (217.3), a decrease of 7.2 percent, as sales cycles were affected by prolonged lifetime of analog (UK) and 2G/3G (SWE) networks
  - Service sales was SEK 164.3 million (159.3)
  - Product sales was SEK 37.4 million (58.0)
- Gross margin was 42.8 percent (43.5)
- Operating profit (EBIT) amounted to SEK 16.5 million (20.7), corresponding to an operating margin of 8.2 percent (9.5)
- Net result was SEK 10.8 million (12.1) and earnings per share was SEK 0.41 (0.47)
- Free cash flow was SEK 3.3 million (-9.8)
- Cash position amounted to SEK 29.0 million (36.1) at the end of the quarter
- Appointed Alexander Jubner as CTO and David Granath as CFO
- Established new commercial office in Spain
- Launched i-Care Center, a SaaS alarm management and IoT platform

## January-September in summary

- Net sales amounted to SEK 641.8 million (625.2), an increase of 2.7 percent
  - Service sales was SEK 482.5 million (460.7)
  - Product sales was SEK 159.3 million (164.5)
- Gross margin was 42.4 percent (41.6)
- Operating profit (EBIT) amounted to SEK 57.5 million (42.7), corresponding to an operating margin of 9.0 percent (6.8)
- Net result was SEK 39.1 million (33.4) and earnings per share was SEK 1.51 (1.28)
- Free cash flow was SEK 20.3 million (26.1)

## CEO's commentary

Careium, according to the revised outlook, delivered a weaker sales quarter. Profitability remained solid despite the lower sales.

The lower sales were mostly attributable to a slowdown of the market in UK and SWE due to delays of infrastructure upgrades, allowing customers to decrease the pace of their transitions to more modern technology. We also noted lower sales in Germany and France during the quarter compared to the very strong Q1 and Q2 but are confident these will revert in Q4.

During the period, we launched one of our most transformative projects: the i-Care Center (ICC). ICC is an end-to-end alarm management platform, created specifically for IoT in the technology enabled care industry. The announcement was accompanied by news of the first external customer, MD Medicus in Germany, with 60 000 seniors in their care choosing ICC over other options, indicative of the value and innovation found in ICC. In addition, Careium is successfully migrating its Swedish business to the ICC platform, with plans to transition all Careium end users across all markets within two years. This move will increase service quality and generate annual savings of approximately SEK 10 million and the ICC platform is ready to onboard additional customers. It is actively marketed across Europe, bundled with Careium's

technology and services to deliver an enhanced customer offering.

This quarter, we established our commercial operations in Spain alongside our tech operations in Madrid. The Spanish market is a major opportunity as it is one of Europe's largest technology-enabled care markets with nearly 11% of the 65+ population having access to telecare solutions, compared to 5-6% penetration rates in most European markets. The office – led by the long-term industry sales executive Beatriz Rodriguez de Lope – is expected to contribute to growth and profitability from 2025 onward.

After the quarter end, on October 15, Careium announced a new multi-year contract with Oslo municipality. The contract has an increased annual value compared to our previous contract. It includes full offering, ranging from our software platform to service delivery, further strengthening our market presence in Norway.

We also welcomed two exceptional leaders in Alexander Jubner (CTO) and David Granath (CFO) to the Careium leadership team – both experienced, ambitious and with great leadership capabilities. Alexander and David will be key talents in our journey.

The sales velocity for Q4 gives us confidence that we will achieve our guidance of 5 to 10% organic growth and an EBIT margin of 7.5 to 10% for 2024.

Christian Walén  
President and CEO

### **Webcast**

Careium will publish the report for the third quarter of 2024 on Friday 25 October 2024 at 8am (CEST).

A live broadcast report presentation will be held the same day at 12pm (CEST) when President and CEO Christian Walén will present the report together with CFO David Granath. The webcast is accessed at: <http://www.youtube.com/live/-USLGUhKfQU>

The presentation material is available at <http://www.careium.com/en-gb/investors/financial-information/presentations2/>.

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*This information is information that Careium AB is obliged to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication by the contact persons above on Friday 25 October 2024, at 8.00am (CEST).*

Careium is today one of the leading players in technology-enabled care in Sweden, Norway, the United Kingdom and the Netherlands. This position means that Careium is one of the leading players in Europe that provides technology-enabled care. Careium's innovative solutions improve the safety, quality of life and independence of seniors both inside and outside the home. For the care provider, the Company's solutions mean increased efficiency and the opportunity to invest resources in more valuable activities. Careium is one of the few players that can offer the entire chain with security alarms, sensors (fall sensors, smoke detectors, motion detectors, etc.), accessories (cameras, electronic locks, robotic medication assistive devices, etc.) and secure communication with alarm response: we offer a complete digital alarm chain. FNCA Sweden AB is appointed certified adviser.